

§ 143B-1362. Personal services contracts subject to Article.

(a) Requirement. – Notwithstanding any other provision of law, information technology personal services contracts for executive branch agencies shall be subject to the same requirements and procedures as information technology service contracts, except as provided in this section.

(b) Certain Approvals Required. – Notwithstanding any provision of law to the contrary, no information technology personal services contract, nor any contract that provides personnel to perform information technology functions regardless of the cost of the contract, may be established or renewed without written approval from the Department of Information Technology and the Office of State Budget and Management. To facilitate compliance with this requirement, the Department of Information Technology shall develop and document the following:

- (1) Standards for determining whether it is more appropriate for an agency to hire an employee or use the services of a vendor.
- (2) A process to monitor all State agency information technology personal services contracts, as well as any other State contracts providing personnel to perform information technology functions.
- (3) A process for obtaining approval of contractor positions.

(c) Creation of State Positions in Certain Cases. – The Department of Information Technology shall review current information technology personal services contracts on an ongoing basis and determine if each contractor is performing a function that could more appropriately be performed by a State employee. Where the determination is made that a State employee should be performing the function, the Department of Information Technology shall work with the impacted agency and the Office of State Human Resources to identify or create the position.

(d) Compliance Audits Required. – The Department of Information Technology shall conduct periodic audits of State agencies that are subject to this Article to determine the degree to which those agencies are complying with the rules and procedures that govern information technology personal services contracts.

(e) Reporting Required. – The Department of Information Technology shall report biennially to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on all of the following:

- (1) Its progress toward standardizing information technology personal services contracts.
- (2) The number of information technology service contractors in each State agency, the cost for each, and the comparable cost, including benefits, of a State employee serving in that capacity rather than a contractor.
- (3) The results of the compliance audits conducted pursuant to subsection (d) of this section.

(f) Information Technology Personal Services Contract Defined. – For purposes of this section, the term "personal services contract" means a contract for services provided by a professional individual as an independent contractor on a temporary or occasional basis.

(g) Rules Required. – The Department of Information Technology shall adopt rules consistent with this section. (2015-241, s. 26.2(b).)